



U.S. Export Assistance Center

FREE TRADE AGREEMENTS WITH AUSTRALIA & MOROCCO

The Australia and Morocco Free Trade Agreements (FTAs) offer the most significant immediate reduction of industrial tariffs ever achieved in free trade agreements with a developed and a developing country, respectively. They will provide immediate benefits for America's manufacturing workers and companies and substantial benefits in a broad range of other sectors as well. Markets for services such as life insurance and express delivery will be opened; intellectual property will be better protected; American investments will be facilitated through predictable access and a stable business environment. American firms will be allowed to compete for Australia's and Morocco's government purchases on a nondiscriminatory basis for the first time. We anticipate that the new agreements will go into effect early 2005.

How important are these two countries to Ohio's export trade? 2003 shipments to Australia from Ohio totaled \$389 million, a 20% increase from 1999. A diverse range of manufactured goods made up the bulk of these exports. Morocco's imports from Ohio are tiny by comparison, amounting to just \$4.7 million in 2003. Computers & electronic

equipment, chemical manufactures, nonmetallic mineral manufactures, transportation equipment and apparel showed the biggest gains.

SELL TO FOREIGN DELEGATIONS AT LAS VEGAS SHOW

In Las Vegas, November 2-5, foreign attendance at Automotive Aftermarket Industry Week (AAIW) is impressive, with delegations led by US Commercial Service (CS) representatives from Ghana, Greece, China, Venezuela, United Arab Emirates, Guatemala, Indonesia, Pakistan, Ukraine, Jamaica, Nigeria, Philippines, Mexico, Panama, France, Italy, El Salvador, South Korea, Taiwan, Israel, Netherlands, Japan,

Austria, and Poland. A list of the delegation members can be obtained in advance from Akron USEAC Trade Specialist Ricardo Pelaez, who will also be working at this event.

A special opportunity called CS Marketplace will be operating at both AAIW shows (AAPEX and SEMA). This is a chance for one-on-one counseling with our auto industry specialists from around the world. These specialists will be available on certain days in the Centers for International Commerce at each show.

SUSAN WHITNEY IS NAMED DIRECTOR OF CLEVELAND USEAC

Susan Whitney has recently been selected as Director of the Cleveland U.S. Export Assistance Center. In this capacity Sue is responsible for client contact, export promotion, and congressional, partner, and trade finance outreach in 31 counties in Northeast Ohio.

Since 2002, Susan has served as Senior International Trade Specialist and Team Leader in the Cleveland office.

Sue began her career with the Commerce Department in 1988 as an Import Compliance Specialist in Import Administration. In this position Sue investigated unfair trading practices of U.S. foreign competitors.

(Continued on Page 2)

FRENCH MARKET SPECIALIST TO VISIT CLEVELAND

Ms. Stephanie Pencole, automotive industry specialist at the U.S. Commercial Service in Paris will be in Cleveland on November 8 to meet with area companies for one-on-one consultations on the promotion of American products in the French marketplace. Please call 216/522-4750 to schedule an appointment.

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600 Superior Ave, Suite 700 Cleveland, OH 44114

FALL 2004

Trade World Ohio

(Continued From Page 1) As a participant in the Women's Executive Leadership Program Sue worked at the Overseas Private Investment Corporation and the Small Business Administration.

Sue is one of the founding members of Women in International Trade-Northeast Ohio (WITNEO) and past President of that chapter.

In October, 2003, Susan passed the Customs House Broker (CHB) License examination adding an important element to client counseling offered by the Commercial Service. The national pass rate for the CHB exam was 16%.

Sue earned a Bachelor of Arts degree in International Business and Economics from The Ohio State University.

Please join me in congratulating Susan Whitney on her appointment to Director, Cleveland US Export Assistance Center.

Michael Miller
Regional Director
US Department of Commerce

MARKET UPDATES IN CHINA

CHINESE MARKET FOR STEEL

According to the China Association of Iron and Steel Industry, the country's demand for steel is experiencing phenomenal expansion, and it is mainly the automotive sector, primarily the production of passenger vehicles, that is driving up steel consumption.

With motor vehicle production rising by 39% in 2002, at three million units, and expected to increase to 5 million vehicles this year, China's consumption of steel for automotive production is estimated to exceed 17 million tons in 2004.

(Source: China Auto News, 08/15/2004 - Translated by Bai Ying)

CHINESE MARKET FOR CHEMICALS

China will establish several first-class

chemical production facilities in the next three years, according to news from the Sixth International Chemical Engineering and Bio-Technology Exhibition.

In 2003, China's ethylene requirement was 15 million tons and domestic production was only 6.11 million tons; synthetic rubber imports were 1 million tons, accounting for 45.7% of domestic consumption; synthetic resin imports were 19 million tons, accounting for 55.9% of domestic consumption; phenylethylene imports were 2.66 million tons, accounting for 73.9% of domestic consumption. In addition, domestically produced phosphate fertilizer could only meet 70% of demand; dye stuff products could only meet 50% of textile industry demand; pesticide products could meet 65% of agricultural demand; radial tires could meet 37% of demand. China lacks the capability to produce some advanced fine chemical products.

China's large demand for chemical industry products provides huge markets for overseas oil and chemical companies. (Source: China Business Times, 17/05/2004- Translated by Wan Xiaolei)

NEW TO EXPORT? FIND CUSTOMERS IN CANADA

MAPS (MARKET ACCESS FOR PRODUCTS AND SERVICES) is a new initiative of the U.S. Commercial Service in Canada that will help "new to exporting" U.S. firms assess the potential of their products and services in the Canadian market.

With MAPS you get fast, reliable, expert background information so you can formulate an initial market entry strategy for Canada.

Our U.S. Commercial Service staff will review your company and product information. After review, we will provide you with written recommendations and an analysis of your market potential.

The fee for MAPS is \$75, but even this will be waived until December 31, 2004.

Additionally, if after you receive your MAPS report, you determine you would like to avail yourself of other U.S. Commercial Service products, you will receive a discount. Contact Cleveland USEAC to receive the MAPS request form.

CREDIT CARD SCAMS REPORTED

A number of Cleveland USEAC clients in recent weeks have reported that payments by credit card from Nigeria have proved to be fraudulent. These exporters followed the usual practice of having a credit card-approving agency vet the individual cards. Upon approval, the ordered goods were shipped. Soon thereafter, however, the credit card issuing company determined that the cards had been stolen, and in one case that the former true owner of the card was deceased. (Continued on Page 3)

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Marcia Brandstadt, International Trade Specialist

Kristen Laughlin, Trade Assistant

Mike Margarucci, Trade Assistant

Patrick Hayes, Small Business Administration

www.export.gov

(Continued from Page 2) The combined losses we heard about ran to more than \$27000. Unfortunately, there is not much that can be done to recoup losses to these scams, although we at the USEAC can and do report the facts to our in-country posts.

BEFORE YOUR NEXT BUSINESS TRIP ABROAD

Planning a trip abroad? The State Department site <http://travel.state.gov> has vital traveler information, including security issues and details on the entry requirements of each country - which you will want to know about ahead of time rather than on arrival. Another good idea when visiting a country for the first time is to schedule a meeting with our in-country U.S. Commercial Service office(s), which you can set up through your USEAC Trade Specialist. Their staff will fill you in on business customs, provide leads to important contacts, and assistance with your objectives.

Also, it pays to review the Country Commercial Guide (CCG) for your destination country, which has a "Business Travel" section and is found at www.export.gov by clicking on Market Research, then choosing the country and CCG for the "type of report."

NEW TOOL FOR US EXPORTERS TO CHINA

Under Secretary of Commerce for International Trade Grant Aldonas has announced new tools to help U.S. companies expand exports to China's growing market - the China Business Information Center, American Trade Centers and the Global Supply Chain Initiative. According to U.S. Commerce Department trade statistics, through June of this year, U.S. exports to China are up 36 percent over the same period last year, making China one of the fastest-growing U.S. export markets, and the sixth-largest U.S. export market overall. Last year, China's worldwide imports increased by more than 40 percent.

The China Business Information Center (BIC) offers clients access to counseling with trade specialists in the United States, referrals to USFCS officers in China, and trade leads via U.S. Export Assistance Centers. The BIC consists of an 800 number that the public can use to speak with a China specialist and a website with China-focused information and export tools. A series of outreach events throughout the United States is planned. See the Trade Events section of the website.

For more information on the China BIC, please visit export.gov/china or call 800-872-8723.

The American Trade Centers extend the Commerce Department's resources in China to second-tier but very large commercial centers such as Wuhan, Nanjing, Dalian, Chongqing, and Xiamen, helping U.S. firms take advantage of opportunities to compete for major infrastructure projects and sell directly to Chinese importers by providing targeted market research, counseling, introductions, and representation at trade shows.

The Global Supply Chain Initiative aims to help U.S. small businesses identify global supply chains that will take American manufactured goods overseas. As part of this initiative, the Commercial Service will conduct a series of trade missions involving tier 2 and tier 3 suppliers to major manufacturing centers around the world. First will be an auto parts trade mission this spring to China. In addition, the Commercial Service is developing a CD and seminar program on accessing global supply chains in conjunction with the Department's Manufacturing Extension Partnership Program.

EXPORTS TO LIBYA

It is now permissible for U.S. Government agencies to provide assistance for commercial exports to Libya. This follows the lifting of certain remaining sanctions by President Bush on September 20, 2004.

Accordingly, exporters can look to U.S. Commercial Service for the range of services offered in other parts of the world. As some restrictions remain on goods, services and technologies, however, it is advisable to check on whether or not an export license is required.

AUTOMATED EXPORT SYSTEM TO BECOME MANDATORY EARLY 2005

Electronic filing of Shippers Export Declaration (SED) data, used by growing numbers of export shippers or their forwarders on a voluntary basis, will become the only allowable filing method when Bureau of Census issues its final rule early next year. The announcement is expected before the end of the first quarter of 2005.

In view of this major change in reporting requirements, exporters are advised to start now to familiarize themselves with the AES electronic filing process. Free software called *AES Direct* is available from Census' Foreign Trade Division. FTD has help at (800) 549-0595 or email your questions to ASKAES@census.gov. The relevant website is www.census.gov/trade (click on A.E.S.)

RECENT MARKET INSIGHTS

Following is a list of recent industry reports prepared by Commercial Service staff at U.S. embassies and consulates worldwide. For the text, call the U.S. Export Assistance Center in Cleveland at 216/522-4750.

Argentina - Generator Sets and Power Plants for Santa Cruz

Australia - Wind Energy - Prospects

Bolivia - Medical equipment and minor surgical medical instruments

Bolivia - Need for Polyethylene Accessories

Brazil - Planning New Steel Mill with Chinese Partners

Canada - British Columbia's Growing Market for Green Buildings (Continued on Page 4)

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Canada- Quebec's Manufacturing Sector: A Fast-Growing Market for Industrial Equipment

Canada- Rail lines, material handling equipment, and construction services.

Chile- Safety and Security Equipment and Services

Dominican Republic- Agricultural machinery and equipment

Egypt- Standards in Egypt

Guatemala- Construction of a new international airport

Jamaica- Submarine Fiber Optic Cable

Middle Eastern Countries- Massive Expansion in Retail Industry

Panama- Hotel and restaurant equipment

Russia- Standards in Russia

Spain- Time Sharing Industry

Spain- Shopping Center Sector

Tunisia- Optic Fiber Transmission Equipment

United Kingdom- Plastics Processing
Uruguay- Wastewater treatment equipment.

Venezuela- Broadband Information Technology hardware equipment

SELECTED TRADE PROMOTION EVENTS

TRADE SHOWS & TRADE MISSIONS ABROAD

January 17-22. Munich. BAU 2005 Construction Equipment.

February 1 - March 5. New Delhi. POWERGEN ASIA 2005

February 14-16. Vancouver. EXPLORE BC. Trade Mission

February 22-24. Monterrey. EXPO MANUFACTURA

March 1-31. Milan. TAO EXPO 2005

March 3-5. Munich. ELECTRONICA USA 2005

March 15-19. Frankfurt. ISH AIRCONTEC

US CATALOG SHOWS ABROAD

February 27- March 2. London. FOCUS ON IMAGING

March 12-15. Saudi Arabia, Bahrain. UMEOS 2005 (Oil & Gas)

USTRADE & DEVELOPMENT AGENCY EVENTS

CHILE US Steel Bridge Technology Orientation Visit - **10/24-11/2/04** - Chicago. Barbara J. Hutchinson, Technical Resources International (310)897-7424

BANGLADESH Healthcare Officials Orientation Visit - **02/12-2/4/05**

Deborah Palmer, Decision Analysis Partners - (703) 255-1101 ext. 112

PAKISTAN Oil Spill Response & Recovery Orientation Visit - **05/07-20/05**

Deborah Palmer, Decision Analysis Partners - (703) 255-1101 ext. 112

UPCOMING TRADE EVENTS AND SEMINARS

Note:

Unless otherwise listed, please contact the Cleveland USEAC at (216) 522-4750 for more information.

Wednesday, October 27: US Undersecretary of Commerce Grant Aldonas speaks in Cleveland. 8:00AM – 9:00AM. I-X Center Ballroom (One IX Center Drive, Cleveland). FREE. Topic to be covered: Keeping American Manufacturing Competitive in a Global Economy. Register online at www.fmanet.org/fabtech/fabtech_2004_keynote

Tuesday, November 9: Business Executives' Enforcement Team (BEET) Town Hall Meeting. BellSouth Tower (333 Commerce St, 2nd Floor, Nashville, TN). FREE. Topics to be covered: recent investigations. For more information or to register, please email ctafe@bis.doc.gov.

Thursday, November 11: Akron Council on World Affairs presents "Opportunities for US Companies in China: Risks and Rewards" with Dr. Philip Spanninger. 6:45PM Dinner, 7:30PM Program. The Hilton Inn in Fairlawn (3180 W market St, Fairlawn). Program/Dinner: Members \$35, Non-members, \$40. Program only: Members \$10, Non-Members \$15.

Wednesday, November 17: Women in International Trade- Northeast Ohio presents a China Program with Benesch Friedlander Coplan & Aronoff, and Denys Resnick. 7:30AM - 10:30AM. City Club Cleveland (850 Euclid Ave, Cleveland). Members: \$20, Non-Members: \$25. Please contact Kim Holizna at (440) 338-3401 for more information.

Wednesday, November 17- Thursday, November 18: Bureau of Industry and Security presents "Complying with US Export Controls." 8:30AM to 4:30PM both days. Georgia Tech Hotel & Conference Center (800 Spring Street NW, Atlanta). \$275. For more information, please email vicki.tolefree@mail.doc.gov.

Thursday, December 9: Women in International Trade - NE Ohio (WIT-NEO) Annual Holiday Reception. 6:00PM. Lincoln Park Pub (2609 W 14th St, Cleveland 44113). No cost to attend, but RSVPs requested by Tuesday, December 7. Please contact Marcia Brandstadt at marcia.brandstadt@mail.doc.gov.